The balance quantity of 15,400 tonnes is yet to be shipped, awaiting opening of Letters of Credit by the Russian Importing Organisation. A trade delegation led by Chairman, Tobacco Board visited Moscow in October, 1992 and requested the Russian authorities to expedite opening of Letters of Credit.

Improvement in Trade Balance

566. SHRI RAMACHANDRAN PILLAI : *Will the PRIME MINISTER* be pleased to state :

(a) whether the policy of liberalisation has helped in improving trade balance of the country; and

(b) if so, the details thereof in terms of rupee and general currency areas ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) India's aggregate trade deficit during the financail year 1991-92 amounted to Rs. 3,835 crores or US $ 1,555 million, which was the lowest in a decade. However, the trade deficit amounted to Rs. 7,485 crores or US $ 2,622 million during the first six months of the current financial year, i.e., April-September, 1992. This is largely due to increase in imports during this period. The imports registered an increase of 51.4 per cent in Rupees terms and 22.3 per cent in dollar terms as compared to the corresponding period of the previous year. It may be worth mentioning that there was severe import compression during 1991-92 due to critical Balance of Payment situation.

(b) The details of trade deficit in the Rupee and General currency Area (GCA) countries in the period 1991-92 and April-August, 1992 the latest period for which the country break-up are readily available are given below :

(Value: Rs. crores)

	TRADE DEFICIT	
	1991-92	April-August, 1992.
G.C.A. . .	—6,231	—7,030
R.P.A. . .	+2,396	+453

Action Plan to achieve 30 per cent Export Growth

567. MISS SAROJ KHAPARDE : Will the PRIME MINISTER be pleased to state :

(a) whether Government have any comprehensive action plan to acheive 30 per cent export growth in dollar terms annually in 34 identified commodities, in the short term;

(b) if so, what are the details thereof; and

(c) by when the action plan is proposed to be implemented ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) A plan to achieve 30 per cent export growth in dollar terms annually, in the medium term, in 34 identified commodities known as 'Extreme Focus Products' has been formulated by the Government.

(b) The plan consists of general and commodity specific action points relating to general macro economic policy, procedural simplifications, infrastructural improvements and institutional arrangements. Several points pertain to changes in tax policy and better terms for export credit. Some points relate to simplification of procedural and removal of procedural irritants, while other points pertain to creation of better infrastructural facilities and institutional framework.

(c) The plan is already being implemented and notifications are being issued as and when decisions are being arrived at.

Exemption of 100 per cent EOU from Central Sales Tax

568. SHRI S. MADHAVAN : Will the PRIME MINISTER be pleased to state :

(a) whether there is any proposal to exempt the hundred per cent import oriented units from payment of Central Sales Tax; and

(b) if so, what are the details thereof ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) and (b) The Export Oriented Units are eligible for reimbursement of Central Sales Tax (CST) on supplies effected from the Domestic Tariff Area.

Shortfall in the Exports

569. SHRI RAJUBHAI A. PARMAR : Will the PRIME MIINSTER be pleased to state :

(a) whether it is a fact that the steps taken to boost exports, have failed to increase exports to any perceptible degree during 1991-92 and 1992-93 so far;

(b) whether any further steps, including exploitation of agricultural sector, have lately been or are proposed to be taken to meet the export targets; if so, the details thereof; and

(c) the estimated shortfall during the period from April, 1992 and till date and how far it is likely to be made good as a result of the fresh steps during the rest of the current year ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) The export performance depends on a large number of factors such as availability of surpluses for export, agricultural production, industrial production, availability of credit, inflation rate, domestic demand as also global factors such as global trading environment, economic environment in our trading partner countries, external demand for our products etc. The aggregate exports registered a decline of 1.7% in dollar terms during 1991-92. However, during the first six months of the current financial year i.e. April-September, 1992, the aggregate exports registered a growth of 5.4 percent in dollar terms, thus reversing the negative trends witnessed during the previous year. It is worth mentioning that the exports to the General Currency Area (GCA) countries registered a growth of 12.1 percent during this period.

(b) and (c) The export targets are fixed on a financial year basis. Hence, it would not be appropriate to assess its shortfall or otherwise at this stage. However, the Government has taken several initiatives to achieve the export target set for the financial year 1992-93. These include formulation of a short-term action plan for boosting exports during the financial year 1992-93, identification of 34 commodities as 'Extreme Focus Sectors', an intensive dialogue with export houses and leading industrial houses, launching of a national quality awareness programme, exchange of delegations with trading partners, organisation of buyer-seller meets, holding of international trade fairs and exhibitions, etc.

Affairs of Kandla Free Trade Zone

570. SHRIMATI KAMLA SINHA : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that Kandla Free trade zone is on the verge of closure;

(b) if so, what are the reasons therof; and

(c) what measures have been taken proposed to be taken by Government to retrieve the situation ?

THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI SALMAN KHURSHEED) : (a) No, Sir.

(b) and (c) Do not arise.

Trade-Deficit of India

571. SHRI S. K. T. RAMACHANDRTAN : Will the PRIME MINISTER be pleased to state :

(a) whether the new economic, trade and industrial policies implemented by India have any effect on the trade deficit;

(b) what was the trade deficit in 1990-91 and 1991-92, in terms of rupee as well as dollars; and

(c) the trade deficit during the period from March to October in the current year, month-wise and the figures for corresponding period of the last year ?